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FORMER IRS REVENUE AGENT SENTENCED FOR CONSPIRACY AND CAUSING THE FAILURE TO FILE CURRENCY TRANSACTION REPORTS

WASHINGTON – Clarence Walker, a former Revenue Agent for the Internal Revenue Service (IRS), was sentenced to 40 months in prison on charges of conspiracy and causing the failure to file Currency Transaction Reports (CTRs), Assistant Attorney General Alice S. Fisher of the Criminal Division announced today.

In addition to the prison sentence, Judge Sandra Brown Armstrong of the Northern District of California, Oakland Division, sentenced Walker to 12 months of home confinement and fined him \$30,000. A federal jury in Oakland, Calif., convicted Walker following a two-week trial in June 2006.

Walker, 56, of San Jose, Calif., was a public official who worked as a Revenue Agent for the IRS. Walker was responsible for educating businesses that cashed checks, such as liquor and grocery stores, about the requirement to file CTRs. Walker then monitored the stores' compliance. CTRs must be filed for all cash transactions over \$10,000. They enable the government to track cash transactions in an effort to detect tax violations and other criminal activity.

At trial, the jury heard evidence that despite Walker's obligation to educate businesses about and ensure their compliance with the CTR laws and regulations, Walker entered into a conspiracy with others to hide cash transactions in order to help fund a company selling illegitimate computer software. During the conspiracy, Walker cashed over \$400,000 in checks at businesses he monitored, while instructing the check-cashers not to file the required CTRs in order to disguise the cash transactions from law enforcement.

This case was prosecuted by trial attorneys James A. Crowell IV and Matthew C. Solomon of the Public Integrity Section of the Criminal Division, headed by Acting Section Chief Edward C. Nucci, and the case was investigated by the Treasury Inspector General for Tax Administration and the IRS Criminal Investigation Division.

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